

INSIDE INFORMATION FOR SIRMA GROUP HOLDING JSC

ACCORDING TO ANNEX 9 TO ARTICLE 28 (2) OF ORDINANCE № 2 OF 17.09.2003 TO 31.12.2017

1. Change of persons exercising control over the company.

During the period under review, there was no change in the persons exercising control over the company.

2. Management composition change, supervisory bodies of the company and reasons for the change; changes in the way of representation; appointment or dismissal of a procurator.

During the period considered after the decision of the General Meeting of the Shareholders of Sirma Group Holding JSC, held on 15.06.2017, on the grounds of Article 20 of Ordinance № 48 of 20.03.2013 on the requirements for the remuneration of FSC were elected as members of the Remuneration Committee:

Georgi Parvanov Marinov - Chairman

Peter Borisov Stattev - member

Yordan Stoyanov Nedev - member

3. Amendments and /or additions to the Company's Articles of Association.

There were no amendments and /or additions to the company's statute during the reviewing period.

4. A decision to transform the company and executing the transformation; structural changes in the company.

During the period under review, there was no decision to transform the company and carry out the transformation; there are no structural changes in the company.

5. An opening of winding-up proceedings and all essential stages related to production.

No winding-up proceedings were opened during the period considered.

6. Opening insolvency proceedings for the company or its subsidiary and all material steps involved in the proceedings.

During the period under review, no insolvency proceedings were opened for the company.

7. An acquisition, granting for use or disposal of assets of a high value under Art. 114, para 1, item 1 of POSA.

During the period under review, there is no acquisition, granting or disposal of assets of a high value under Art. 114, para 1, item 1 of POSA.

8. A decision on the conclusion, termination and cancellation of a joint venture agreement.

No decision for concluding, termination and cancellation of a joint venture was taken during the period considered.

9. Statement of profit of the company.

Sirma Group Holding JSC ended 2017 with a net consolidated profit of BGN 6 190 000.

10. Change of auditors of the company and reasons for the change.

The General Meeting of Shareholders of the Company held on 15.06.2017, decided to change the auditors of the financial statements and selected auditor of the Company for 2017 registered auditor Teodora Ivanova Tsvetanova, diploma № 0771 from 2012.

11. Significant losses and reasons for them.

The Company has not suffered any substantial losses during the period.

12. Unpredictable or unforeseen extraordinary circumstance, as a result of which the company or any of its subsidiaries has suffered by damages amounting to three or more percent of the company's equity.

During the period under review, there was no unpredictable or unforeseen extraordinary circumstance, as a result of which the company or its subsidiaries has suffered by damages amounting to three or more percent of the company's equity.

13. Public Disclosure of a Modified Auditor's Report.

A modified audit report was not published during the period under review.

14. The decision of the General Meeting on the type and amount of the dividend, as well as on the terms and procedure for its payment.

The General Meeting of Shareholders of the Company held on 15.06.2017, decided to distribute a cash dividend in 2016 at the amount of BGN 0.01 per share or BGN 593 605,18 in total.

15. The occurrence of an obligation that is substantial to the Company or its subsidiaries, including any non-performance or increase in the liability.

During the reporting period, there has not incurred any obligation, which is substantial to the company or its subsidiaries.

16. The occurrence of a receivable which is essential to the company with an indication of its maturity.

During the period under review, there was no claim for the company that was significant.

17. Liquidity problems and financial support measures.

During the period under review, the company has no liquidity problems.

18. Increase or decrease of share capital.

During the period under review, the company's capital did not change.

19. Confirmation of negotiations for acquiring the company.

Negotiations for the acquisition of the company were not conducted during the period under review.

20. Conclusion or execution of contracts not related to the Company's ordinary activities.

During the period under review, there were no signed or executed contracts that were not related to the company's ordinary activities.

21. The opinion of the Managing Authority in relation to a tender offer.

During the period under review, there was no tender offer.

22. Termination or substantial reduction in customer relationships that form at least 10 percent of the Company's revenue over the past three years.

During the period under review, there was no termination or significant reduction in customer relationships that formed at least 10 percent of the company's revenue over the past three years.

23. Introduction of new products and market developments.

No new products and market developments were introduced during the period.

24. Large orders (amounting to more than 10 percent of the company's average revenue over the past three years).

No new large orders during the period.

25. Development and / or change in the volume of orders and the use of production facilities.

There was no change in the volume of orders and the use of production facilities during the considered period.

26. Suspension of sales of a product forming a significant part of the Company's revenue.

During the past reporting period there was no cessation of sales of a product that formed a significant part of the company's revenue.

27. Purchase of a patent.

Patent purchase during the period was not considered.

28. Obtaining, suspension of use, withdrawal of permission to work (license).

During the period under review, there was no obtained, temporary use suspension or withdrawal of authorization for activity (license).

29. Formation or termination of a court or arbitration case relating to the debts or claims of the company or its subsidiaries with a claiming price of at least 10 percent of the company's equity.

No court or arbitration case was opened or terminated during the period under review.

30. Purchase, sale or pledge of shares in companies from the issuer or its subsidiary.

During the period under review, there was no purchase, sale or pledge of shareholdings in commercial companies by the issuer or its subsidiary.

31. A forecast prepared by the issuer of its financial performance or of its economic group if a forecast is made to disclose publicly.

During the period under review, the issuer has not prepared a forecast for its financial results.

32. Award or change of rating made to the issuer's order.

There is no award or change of a rating made to the company's order.

33. Other circumstances that the Company considers may be relevant to investors in taking a decision to acquire, sell or continue to hold publicly available securities:

Substantial events occurred in the group until the end of 2017:

- On 17 February 2017 Sirma Society in Albania was established - Sirma Sha. 55% of the company's capital is owned by Sirma USA, and the members of the Board of Directors are Mr Tsvetan Alexiev and Mr Yordan Nedev, members of the Board of Directors and of Sirma Group Holding JSC. The main purpose of the newly established company is to hire and train programmers for the purpose of implementing won and developed projects mainly but not only by Sirma USA as well as other Sirma Group Holding offices in America as well as participating and winning IT projects on public and private procurement in Albania and the surrounding Albanian countries - Kosovo, Macedonia, Serbia, Montenegro, Bosnia.

- In April, Sirma Group Holding JSC participated in the increase in the capital of Ontotext JSC by purchasing 843,030 pcs. ordinary shares with a par value of BGN 1 at an issue value of BGN 1.16.
- Sirma Group Holding started dividend payment for 2016, according to a decision of the General Meeting of Shareholders held on 15.06.2017. This is the first payout of a dividend after the successful initial public offering at the end of 2015. The final date for dividend payment - 15.09.2017.
- At a meeting held on September 7, 2017, the Board of Directors of the Bulgarian Stock Exchange - Sofia decided to include the issue of Sirma Group Holding in the SOFIX index. The basis for this decision is the following: the market capitalization of the free float of the company is BGN 40 420 452, the median of the weekly turnover is BGN 36 651, the number of transactions is 1384 and the arithmetic mean of the spread is 0.06416086. The decision to change the SOFIX base will take effect from September 18, 2017.

Date: 27.04.2018

Sofia

Tsvetan Alexiev

CEO

Sirma Group Holding JSC

